

Minutes
Human Services Commission and Housing Board
Joint Special Meeting
Monday, February 7, 2005
1:00 P.M.
Community Design Studio
7506 E. Indian School Road
Scottsdale, AZ 85251

Present from the Human Services Commission:

Chair Bachmann, Vice-Chair Reid, Commissioners Berg, Fausel and Hemmingsen

Present from the Housing Board:

Chair Edwards, Vice-Chair Priniski and Members Morgan, Southworth and Williams

Absent: Human Services Commission – Commissioner Resnick

Staff Present: Connie James, Stacey Benson, Mark Bethel, Donna Brower, Jan Cameron, Molly Edwards, Cindy Ensign, Vicki French, Beverly Johnson, Diane Kallal, Rita Koppinger, Valerie Kime Trujillo, Kim McLane, Joanne Meierdirks, Jack Miller and Mary Kay Rieke and Judy Register.

CALL TO ORDER

Chairman Bachmann called the meeting to order at 1:00 pm. Commissioners and Housing Board Members introduced themselves for the benefit of the presenters.

APPROVAL OF MINUTES FROM JANUARY 27, 2005 MEETING

Chair Bachmann called for a motion to approve the January 27, 2005 meeting minutes. Vice-Chair Reid moved for approval of the January 27, 2005 meeting minutes; Commissioner Berg seconded and the motion carried unanimously.

Chair Edwards called for a motion to approve the January 27, 2005 meeting minutes. Housing Board Member Southworth moved for approval of the January 27, 2005 meeting minutes; Vice-chair Priniski seconded and the motion carried unanimously.

OVERVIEW OF CDBG AND HOME FUNDING PROCESS

Mark Bethel, Community Assistance Manager, provided the Commission with an overview of the CDBG and General Funds Programs and the city's process for allocating funds with the following remarks:

Chairman Bachman, Chairman Edwards and Members of the Human Services Commission and Housing Board,

This afternoon is the mid-point in a funding process that began in October with a pre-application orientation and will end in July with the execution of a grant agreement with HUD and sub-recipient contracts with agencies for services and developments in the next fiscal year.

Scottsdale has a considerable history of working in partnership with non-profit providers of housing and human services to capitalize on the resources and passion that those agencies bring to the residents of this community. On behalf of the City and my staff, I would like to welcome and thank all of the presenters who are here this afternoon.

The estimated funds available from CDBG and HOME activities amounts to \$1.6m (1,644,094). This year we received requests for more than \$2.2m (2,249,283). This year, as *in every year*, there are more

legitimate needs for many times the amount of money that is available for allocation. There will be good applications for important services that will not be able to be funded. Your task will not be easy; but your responsibility is an important one. You need to have the opportunity to find out as much information as you need to be able to make your best recommendation to council.

There are 20 presentations scheduled for today. The applications were distributed to members of the commission two weeks ago. If the staff has had questions or concerns that we felt the commission should be aware of, we have given that information to you already. We did not have questions of every application, if we did, copies of these evaluation sheets were sent to the agencies so that they would have the opportunity to address these issues in writing before their presentation today. Agencies have been requested to submit responses prior to this meeting.

In order for you to hear all of the presentations we have asked the presenters to limit Public Service presentations to 3 minutes; 10 minutes has been allotted to the more complex housing related presentations. The Commission and Board may then take as long as you need to ask questions. We will be using a timing light today to remind presenters when their three minutes are up. Donna Brower is the timekeeper today. In fairness to other presenters, we will be enforcing their time limit. If a presenter does not stop speaking shortly after the red light comes on, Donna will tap you on the shoulder. We know that this can be annoying for the person who is speaking, but with 20 presentations scheduled for this afternoon, we are sure that everyone who is waiting to make their presentation will appreciate our keeping the presentations concise as possible. I will ask for the opportunity to repeat this reminder periodically during the hearing, and after any breaks, so that people coming in later will be aware of this.

If members of the commission or board have any questions of staff today, we will answer them if we can but we may need to reserve the right to do some research and send written responses prior to your next meeting.

Chair Bachmann, I would now like to turn the meeting back over to you, and if you could please read the Conflict of Interest Statement.

Chair Bachmann read the following Conflict of Interest Statement:

The Arizona Conflict of Interest laws are found in Arizona Revised Statutes Sections 38-501 through 38-511. They apply to public officers and employees of various public bodies and political subdivisions, including city boards and commissions, such as the Human Services Advisory Commission.

The statutes prohibit public officers and employees from engaging in certain types of activity or conduct, including participating in or voting upon contracts or other matters in which they, or a relative, have a substantial interest. A "substantial interest" is defined as "any pecuniary or proprietary interest, either direct or indirect."

In other words, if you as a Commission member, or a relative of yours, have a money or property interest that may be affected, either positively or negatively, by the action of the Commission, relating to a matter before it, you have a conflict of interest. You may not participate in nor vote upon any such matter. When you become aware of a conflict of interest, the law requires that you make that interest known on the official records of public agency, in this case the Commission minutes, and refrain from participating in any manner in such decision.

Does anyone wish to make known a conflict of interest, for the record, at this time?

Vice-Chair Priniski stated that he would not participate in the presentation or voting on the funding of the Scottsdale Training and Rehabilitation Services due to a past contract and a future potential contract.

Housing Board Williams stated that her daughter works for Community Services of Arizona, with the Human Services side not the Housing side, and thus she didn't have a conflict and would vote.

PUBLIC HEARING ON PROPOSALS SUBMITTED FOR CDBG AND HOME FUNDING

Public Services

Advocates for the Disabled, Inc., - Sherry Whitener, Executive Director, presented the agency's request for \$10,000 for the Disability Claim Service. The service provides specialized intensive case-management to disabled, low-income people who are in the process of trying to obtain Social Security disability benefits and/or Supplemental Security income benefits due to their emotional and/or physical disability, which is severe enough to affect their ability to work. The services will serve 40 Scottsdale citizens, all of who are low to moderate-income.

American Red Cross, Grand Canyon Chapter – Stan Brown, Deputy Director, presented the agency's request for \$10,000 for their "Flights to Safety" program, which provides 24/7 free and confidential emergency, urgent and routine transportation for victims of domestic violence and their children, who are fleeing their current violent situation to a shelter or safe haven arranged through DV STOP (the Chapter's safe, temporary overflow program) partnerships with DV shelters and agencies in Scottsdale and through out Maricopa County. The program will serve 700 Scottsdale and Maricopa County citizens, all that are low to moderate-income.

Vice-Chair Reid asked with what agencies does the American Red Cross coordinate. Mr. Brown stated that they coordinate with agencies that need emergency transportation such as police departments and victim protection agencies. He added that he is liberal in providing transportation and in a worst case scenario would provide a taxi ride to a secure facility if necessary, even if the client calls from a bus station.

Vice-Chair Priniski asked if Mr. Brown had the numbers for this year in Scottsdale. Mr. Brown said that he had the numbers for 2003 and added that the agency has been adjusting the type of service, as they have found that they were beginning to provide transportation outside of the domestic violence arena once the victim is out of the shelter. He said that because of that they have tightened up and now only provide transportation for emergency domestic violence situations. He said that for this quarter (04/05) they have provided 538 women and children with rides.

Vice-Chair Priniski asked how many of the clients this quarter were from Scottsdale and Mr. Brown said probably about 1/3 or 150 clients. He added that they average 4,000 client transports per year and out of those about 500 originate in Scottsdale; he said that they only ask for CDBG funds based on who they will transport in the city.

Arizona Action for Foster Children – Jeanne Sims, Resource Coordinator, presented the agency's request for \$2,000 for the Foster Children's Welfare program, which will provide assistance to and Licensing Specialist supervision of up to three foster children residing in Scottsdale to ensure the well being and positive development of these vulnerable children, who are from low to moderate income.

Vice Chair Priniski asked if data cited was for Scottsdale and Ms. Sims said yes. Vice Chair Priniski asked how the agency measures that they have better retention by doing monthly visits versus quarterly. Ms. Sims said that they are able to see if children move from foster home to foster home. She said that they compare one foster home in Scottsdale to another, and whether the child stays in more than one foster home or are returned home.

Vice-Chair Priniski asked if the dollar amount the agency is requesting includes the required licensed quarterly visits. Ms. Sims said no, just the additional visits as they are still using the DES line item for the state required visits.

Chair Edwards asked if the ratio for CDBG funds is moved over into a different category. Mr. Bethel said that HUD has indicated that municipalities should not award anything under \$10,000 as a general administrative threshold because of large amounts of paperwork. However, there is a question in each application that asks if the applicant is willing to receive other funds in the form of either Scottsdale Cares or General Funds and on this application that answer was yes.

Arizona Fair Housing Center – Dr. Ed Valenzuela, Executive Director, presented the agency's request for \$24,524 for the Affirmatively Furthering Fair Housing program which will conduct community outreach and education to inform the general community of their rights and responsibilities under federal and state fair housing laws, which will open new doors to fair housing opportunities. The program will serve approximately 450 Scottsdale residents, 400 of which are from low to moderate incomes.

Commissioner Hemmingsen asked how are citizens of Scottsdale made aware of the agency's services. Dr. Valenzuela said through seminars, workshops, literature and public events, all of which are bilingual. Commissioner Hemmingsen asked if the agency receives referrals from the City of Scottsdale and Dr. Valenzuela said on occasion.

Vice-Chair Reid asked how many workshops were given in Scottsdale last year and Dr. Valenzuela said three, all for landlords. He added that that was because they don't have the funds and CDBG would help them increase workshops. He also said that after outreach activities, they get a sudden increase of complaints.

Vice-Chair Reid said that the agency indicated they received referrals and asked who those agencies were. Dr. Valenzuela said from different people or agencies. Vice-Chair Reid asked how many referrals were from Scottsdale. Dr. Valenzuela said that he couldn't recall, although there was a recent call regarding skin sensitivity to spraying in an apartment complex. Vice-Chair Reid said then the referral wasn't a public one and Dr. Valenzuela said no, but they invite public agencies to refer people.

Vice-Chair Priniski asked how many complaints were pending for Scottsdale. Dr. Valenzuela said that he doesn't know the number as they cover seven counties and they get complaints from several sources.

Chair Edwards asked if the agency has reviewed any of the City of Scottsdale's efforts regarding housing. Dr. Valenzuela said they have received the limited information available from the city, but they continue to get complaints from other sources. Chair Edwards asked if the agency was duplicating services as the city is also doing outreach. Dr. Valenzuela said that he was not aware that the City of Scottsdale was doing outreach, he said he knew they were providing information. He added that CDBG requires that they do outreach and they are doing it.

Vice-Chair Priniski asked if the agency gets referrals from the Center for Disability Law. Dr. Valenzuela said that it depends on if it is something they can do, otherwise they refer them to several sources for enforcement, such as private attorneys or the Attorney General.

Housing Board Member Williams asked if the agency did any testing that's being going on in Scottsdale that indicates a serious need. Dr. Valenzuela said yes, they have done testing based on complaint. He added that they have done limited testing in Scottsdale and one complaint may go to HUD. Housing Board Member Williams asked through the agency's testing if they have found additional violations. Dr. Valenzuela said that he was not aware of the details of that particular case, as they have a unit that reports directly to HUD and HUD has the priority to act on the complaint.

Commissioner Hemmingsen asked how many seminars would the agency do in Scottsdale next year. Dr. Valenzuela said it depends on outreach with other community events or private workshops, but he said probably five to ten.

Vice-Chair Reid asked how the agency tracks the amount of workshops that they do. Dr. Valenzuela said that they track by setting up training in Scottsdale and usually the people in that community end up filing complaints.

Vice-Chair Priniski asked if the agency is proposing only one FTE in Scottsdale. Dr. Valenzuela said that ½ FTE is for a part-time administrative/clerical person and ½ FTE is for the trainer.

Big Brothers Big Sisters of Central Arizona – Andrew Schwartzberg, Grants Manager, presented the agency's request for \$15,000 for Scottsdale Mentoring, which will provide science-based prevention services through adult/child mentoring. The program will serve 30 Scottsdale citizens all that are low to moderate-income.

Commissioner Hemmingsen asked how the agency collaborates with LINKS. Mr. Schwartzberg said that they have an outreach person who attends the LINKS meetings and works on one of their committees. He added that he could get more information for the commissioner.

Vice-Chair Priniski asked how long a student is with a mentor. Mr. Schwartzberg said that the program requests a minimum of a year, but since the child can be in the program from 6 to 15 and stay until 18, many are matched for years.

Vice-Chair Reid asked how many students were matched last year and what is the increase foreseen for next year. Mr. Schwartzberg said that the agency matched 150 students last year and expects to serve 160 next year.

Vice-Chair Priniski asked where are the students from in Scottsdale. Mr. Schwartzberg said that they serve students all over Scottsdale.

Chair Edwards asked what the ratio was between single parents and two parent families. Mr. Schwartzberg said that the largest percentage of students are from single parents families, although they do not deny services to two parent families.

Boys & Girls Clubs of Scottsdale – Marybel Ramirez, Outreach Services Manager, presented the agency's request for \$22,000 for Operation Outreach. Operation Outreach provides safe, high quality, value-based educational, cultural, social and recreational programs to children of working families living in the Minnezona, Paiute, Belleview and Vista del Camino neighborhoods.

Chair Bachmann asked how the agency measures if they are doing better, do they look at grades? Ms. Ramirez said that they do an attitude questionnaire e.g., do you like to read? and then do a post test. Chair Bachmann asked how the agency tells if the students grades are improving. Ms. Ramirez said that they would track grades this year by asking schools for test scores.

Commissioner Berg asked how much time does a student spend each week in the program. Ms. Ramirez said that most kids would spend an hour. She added that they are trying to track the kids who are attending and their grades.

Commissioner Fausel asked why the budget for the meetings and conferences is larger than that of the scholarships – the scholarship budget is \$10,000 and meetings and conferences is \$150,000 - why is that? Ms. Ramirez said that the training flows from the top down and everyone eventually benefits from the training. She added she would have to check with the grants manager for more information.

Chrysalis Shelter for Victims of Domestic Violence, Inc. – Patricia Klahr, Executive Director, presented the agency's request for \$30,000 for the Scottsdale Crisis Shelter. The Chrysalis Scottsdale Crisis Shelter houses single women and women with children who are victims of domestic violence. Once admitted, each woman and her children may stay in the shelter for up to 90 days. Each overnight

stay by an individual in the shelter is termed a bed night. With 24 beds and 6 cribs, the Scottsdale crisis shelter can provide up to 10,950 bed nights each year. In addition to shelter, a woman and her children receive individual, group and family counseling, case management, food, hygienic supplies and clothing if needed as part of her shelter experience. If granted, CDBG funds would be used to pay for 610 bed nights in the shelter. The shelter will serve 300 Scottsdale residents, all from low to moderate-income households.

Community Information & Referral – Roberto Armijo, Executive Director, presented the agency's request for \$10,000 for the Community Network for Accessing Shelter (CONTACS). This project will provide the toll-free, bilingual, 24-hour CONTACS Hotline. CONTACS is a specific hotline for victims of domestic violence and other homeless individuals. A homeless person or victim of domestic violence calls the call center where an operator gathers intake information. The call center operator has access to a computerized connection to a central database, which displays current bed availability of 66 homeless and domestic violence shelters in Maricopa County. The call center operator and the caller then conference call the appropriate shelter to confirm available space and begin the specific screening and intake procedure of the shelter. The program will serve 1,500 Scottsdale residents, all from low to moderate-income households.

Chair Edwards asked how the agency coordinates the victims getting shelter. Mr. Armijo said that they call the shelter. Chair Edwards asked how they get to the shelter and Mr. Armijo said that they either have their own transportation or they utilize programs such as the American Red Cross, usually through the DV Stop program. He added that if there are no beds in a shelter, there is also a program that provides vouchers for a hotel until further arrangements can be made.

Housing Board Member Williams asked if the numbers were for domestic violence or for the homeless and Mr. Armijo said both and the number he gave of 727 in Scottsdale was for domestic violence.

Housing Board Member Morgan asked what were the duties and responsibilities of the salaried staff and duties and responsibilities of the volunteers. Mr. Armijo said that he is the Executive Director and there is an accountant, a person who directs the homeless program and the bulk of the employees are those who man telephones. He added that the volunteers are particularly for promotions, helping with publications and resources records in database.

Vice-Chair Reid asked of the 727 people that utilized the service in Scottsdale, how many had children. Mr. Armijo said that there were 9,360 homeless families, 19,061 homeless not with families, 2,089 families and 4,642 domestic violence victims that were not with families and other numbers with families in transition.

Homeward Bound – Brian Lotto, Grants Manager, presented the agency's request for \$28,600 for Case Management and Employment Services. Case management and employment services will be provided to low-income Scottsdale families with dependent children. Homeward Bound provides intensive and comprehensive social services to facilitate these families in becoming self-sufficient and capable in maintaining safe, decent, and affordable housing upon completion of the program. At this time, 40 individuals reside in Scottsdale homes, and the agency expects to serve 40-60 individuals annually in Scottsdale, all from low to moderate-income households.

Chair Edwards asked why there was mention of the 8 units in Phoenix. Mr. Lotto said that the administration offices are on that campus and there are medical and dental clinics on the campus that Scottsdale citizens utilize.

Housing Board Member Williams asked if Scottsdale residents stay in the 80-unit building in Phoenix. Mr. Lotto said if the 12-unit in Scottsdale was full, they would house a Scottsdale resident in the Phoenix unit until they can move to another site.

Save the Family Foundation (STF) – John Lamkin, Associate Director, presented the agency's request for \$45,075 for Case Management and Supportive Services for Homeless Families with Children. Save the Family will provide case management and supportive services for homeless families with children referred from the City of Scottsdale. Save the Family has served nine families from Scottsdale so far this year. Each family receives comprehensive case management in finances, parental goals, counseling, and information and referral. Save the Family receives a number of its referrals from the Chrysalis Shelter. The agency will serve 42 Scottsdale residents, all from low to moderate-income households.

Chair Edwards asked why the Scottsdale residents stay for 30 weeks as opposed to the average of 19 weeks. Mr. Lamkin said he didn't know, but would get that information.

Scottsdale Training and Rehabilitation Services (STARS) – Jeffrey Battle, President/CEO and Michael Wins, Program Director, presented the agency's request for \$32,500 for the Community Based Employment Program. The program provides low-income adults with severe disabilities the opportunities and resources to secure and maintain remunerative employment in the mainstream work force. They engage in any of a continuum of community-integrated work experiences, including job readiness assessment and training, job development and placement, group and individual supported employment, on-the-job training and job coaching, and transportation assistance. The program will serve 25 Scottsdale residents, all of who are from low to moderate-income households.

Housing Board Morgan asked to what extent does the agency rely on volunteers. Mr. Wins said that for this program, due to confidentiality issues, volunteers are not utilized and staff does the training and connection to employers.

Shoebox Ministry – Deborah Schauer, Board Member, presented the agency's request for \$14,264 for toiletries and undergarments for the working poor residing in Scottsdale. The program will serve 820 residents who are from low to moderate incomes.

Vice-Chair Priniski asked how the newsletters are distributed. Ms. Schauer said that they are sent to individuals that have shown interest or have volunteered with the agency; there are 800 on their mailing list, which includes churches and other agencies.

Commissioner Fausel asked if the newsletters are sent by direct mail and Ms. Schauer said they are sent by bulk mail. Commissioner Fausel asked if those receiving the newsletter provide funding for the newsletter and Ms. Schauer said yes they are willing to contribute to the newsletter, which is where the agency receives some of their funding.

Housing Board Morgan asked if the agency receives funding from faith based organizations and Ms. Schauer said yes, although the agency is not faith based. She added that the agency receives funding from churches, synagogues, city grants, the United Way and some private donations.

Housing Board Morgan asked if the promotional video is something that will go to the public. Ms. Schauer said yes, the video was produced with the help of a school and when she or another member does a personal appearance, they use the video.

Housing Board Member Morgan asked who donates the items to the organization. Ms. Schauer said that many are individuals and a local company provides many items as well, and all the items are new.

Chair Edwards asked what the source of the numbers was for the target clientele. Ms. Schauer said that counting is hard, but is based on an approximate number that is given in the Valley of 1,500 homeless and 650,000 working poor. Chair Edwards asked if the agency is targeting Scottsdale residents and Ms. Schauer said yes, 800 in Scottsdale.

Commissioner Fausel asked if the request is for the communication and distribution tools to get the shoeboxes out. Ms. Schauer said that the funding for the program goes towards salary, but it is also for developing the program and doing outreach. Commissioner Fausel asked if the agency has approached other churches/social services agencies to see if they could advertise in their newsletters. Ms. Schauer said they do have a base of about 400 churches and some help in some ways and in different avenues, but there is still a wide base of people that the agency needs to reach.

Vice-Chair Reid asked how the 25 volunteers average per month was generated. Ms. Schauer said that volunteers come through word of mouth and doing other segments, such as the promo she did on Channel 3, which prompted a lot of calls. Vice-Chair Reid asked how many were paid staff and Ms. Schauer said one.

Tempe Community Action Agency, Inc. (TCAA) – Elaine Tabor, Director of Senior Action Program, presented the agency's request for \$40,170 for the TCAA Scottsdale Senior Action Nutrition Program. This program serves elderly Scottsdale residents by providing nutritious congregate (group) meals, nutrition assessments and follow-up, socialization, fitness and recreation activities, health promotion activities, outreach, and social service home visits. Six program days are provided weekly: five days each week (Monday through Friday) at the Civic Center Senior Center, and one day each week (Wednesdays) at Vista del Camino. The program will serve between 350 and 400 Scottsdale residents, of which 98% are from low to moderate-income households.

Chair Bachmann asked about changes in the program. Ms. Tabor said that congregate meals have been remaining the same or have decreased in the past five to ten years, possibly because many more seniors are confined to their homes and therefore switch to the home delivered meal program.

Housing Board Member Williams asked if the national numbers are going down how does the agency anticipate serving more seniors? Ms. Tabor said that Vista is remaining constant and Civic Center Senior Center is increasing. She added that they are requesting this funding for personnel costs, as they try to give a raise every year.

Housing Board Member Williams asked where the other facilities were that the agency serves. Ms. Tabor said they have two in Scottsdale, four in the Concord Village and Escalante Senior Centers, the Westside Community Center and the Pyle Service Center in Tempe.

Tempe Community Action Agency, Inc. (TCAA) – Elaine Tabor, Director of the Senior Action Program and Barb Panos, Counseling Program Manager, presented the agency's request for \$12,400 for the TCAA Senior Peer Counseling Program. This program provides Scottsdale's elderly and disabled residents with needed counseling and problem-solving support. The program helps senior citizens remain independent and enhances their quality of life. Senior Peer Counseling addresses the problems of depression, feelings of loss and other challenges associated with the aging process. Trained and supervised volunteers provide services. Approximately 100 Scottsdale residents will be served, all of who are from low and moderate-income households.

Chair Edwards asked if during home visits do the social workers ascertain if a senior needs housing repairs. Ms. Tabor said yes, all intakes are done by clinical social workers and when they go into a home, they are very alert to whatever else may be needed. Ms. Panos added that the agency has resources to refer seniors to and to help them with if their home needs repairs. The seniors are referred back to the agency's case managers who have a program through VICAP.

Vice-Chair Priniski asked if the volunteers are of adult age. Ms. Tabor said yes, 55 years or older. Vice-Chair Priniski asked if they have a specialized background. Ms. Panos said no, but they go through an intensive training that is 10 to 12 weeks long. She added that the volunteers do not diagnose, do assessments or make referrals.

Vice-Chair Priniski asked if the volunteers are there for support. Ms. Panos said yes and the agency is adding various support groups, such as a grief support group, for their clients.

Vice-Chair Reid asked what type of screening the volunteers go through. Ms. Panos said that the volunteers are fingerprinted, have background checks, and have their references checked. She added that the agency weeds out who will not work within the training and there is a graduation ceremony at the end.

Housing Rehabilitation

City of Scottsdale, Citizen and Neighborhood Resources Department – Judy Register, General Manager and Justin Boyd, Grant Program Specialist, presented the agency's request for \$306,000 for the City of Scottsdale CDBG Housing Rehabilitation Program. The program provides assistance to homeowners in Scottsdale who are income qualified to repair and/or replace items to eliminate structural code violations and prevent incipient code violations, upgrade building components to meet property rehabilitation standards, provide modifications for the elderly and the disabled and preserve mature neighborhoods. The program will serve 26 households that have low to moderate incomes.

Housing Board Member Southworth asked for the amount of unspent funds from the previous year and Ms. Register said \$722,000 as of 12/31/04.

Housing Board Member Williams asked if the program was reducing their request to \$150,000 from \$306,000 and Ms. Register said yes.

Chair Edwards asked if the reduction will still allow the program to take care of the people on the waiting list and Ms. Register said yes.

Chair Bachman asked if the program will hire someone else to help with the wait list and Ms. Register said yes, recruiting has taken place and the chosen person should be on board by April 1.

Housing Board Member Williams asked if the reduction in the funding would increase the waiting list. Mr. Boyd said that there would be six clients pulled off the waiting list this year and some clients on the waiting list no longer need the assistance, or they do not have the income eligibility. He added that the additional staff would assist in reducing the waiting list as well.

Housing Board Williams asked if the program had a screening process to avoid putting people on the waitlist who do not qualify. Mr. Boyd said that staff provides documentation to applicants that enables them to determine if they qualify or not. He added that there are applicants that do not read the documentation and therefore often don't know if they can use the program, but still turn in an application.

Housing Board Member Williams stated that she understood there was a tremendous need for rehab and yet now it seems that there isn't the shortfall or the demand that was anticipated. She asked how on target the program is. Mr. Boyd said that on a consistent monthly basis, there are four to six applicants for the program and they hope to complete 26 applications by the end of the year.

Housing Board Member Morgan asked about the formal survey process. Mr. Boyd said it was something that they want to implement so that they can obtain more information about the construction that is happening, to evaluate the program and better serve clients.

Housing Board Member Morgan asked if the survey would go to the Housing Board, Human Services Commission and citizens or if it is just for staff. Mr. Boyd said that for now it is just for staff to evaluate the program.

Vice-Chair Priniski asked if the rehabs cover ADA issues. Mr. Boyd said yes. Vice-Chair Priniski asked how many households in the past year needed ADA compliance and Mr. Boyd said he didn't have those numbers, but he would get that information.

Housing Board Member Williams asked if lead based paint was still an issue in rehabs and Mr. Boyd said yes, they are finding housing that has lead based paint issues.

Housing Board Member Southworth asked what the age of the houses were with lead based paint and Mr. Boyd said it varies, even some newer homes have some rooms with lead based paint.

Commissioner Hemmingsen asked if there was staff to help people review the 30 pages of the application, as that can be daunting for some elderly applicants. Mr. Boyd said yes, he provides assistance in filling out the application. Ms. Register added that applicants have to request that service. Commissioner Hemmingsen asked if anyone can have assistance with the completion of the application and Mr. Boyd said yes.

Chair Edwards asked if reducing the request would be a problem with doing rehabs. Ms. Register said no, filling the position in the next 30 to 45 days would greatly assist with the demand and get to the waiting list and requests faster. She added that they are currently not meeting the demand, which is why they need the additional position. Chair Edwards asked how long a person is typically on the waiting list and Mr. Boyd said 9 to 12 months.

Housing Board Member Williams asked about the funding for the position and if the money wasn't used would it carry forward. Mr. Bethel said that the CDBG Rehabilitation Program salary is a direct program expense and if there is no one in the position, salary cannot be charged to the program. He added that it is not a roll over of salaries from year to year and that direct program charges are the only eligible expenditures from year to year. Thus, to hire a position, you have to get approval from the City Council. The City Council, last year, approved an additional FTE for the Rehab Program with the understanding that all costs related to the position would be paid with CDBG funds. The monies in the program can be attributed to anything in the program and you can only charge a salary directly related to the program with program dollars.

FSL Programs (affiliate of Foundation for Senior Living) – JoAnn Thorpe, Program Coordinator, presented the agency's request for \$175,000 for the Emergency Home Repair Program. The program provides emergency type repairs required to maintain the safety and habitability of the household and to perform repairs to items that will prevent future problems. The program expects to serve 50 households, all of which are at low or moderate income.

Chair Bachmann asked what happens with an elderly person who has a problem with their air conditioning, how long does the process take to get them service. Ms. Thorpe said that they try to do same day service – she said she often tries to bring in a contractor with her to the call to save time – their goal is seven days. She added that currently roofers are very busy and take a bit longer to get.

Vice-Chair Priniski asked for a breakout of the service calls. Ms. Thorpe said that the agency did five new air conditioners, eight new roofs, one new arcadia door (safety issue), one full electrical repair, two no service, two water heaters, one roof repair, three re-plumbs, one air conditioner repair and one call with multiple issues.

Vice-Chair Priniski asked for the income breakout of clients. Ms. Thorpe said that there were 13 at \$30,000 and below; 10 at \$50,000 and below and four at \$51,000 to \$80,000.

Vice-Chair Priniski asked for the household breakout. Ms. Thorpe said there were 21 female head of the household, 14 disabled, 17 elderly, 25 small households and one large.

Commissioner Berg asked if these were last year numbers and Ms. Thorpe said that the numbers were current from July 1, 2004.

Chair Edwards asked what is the status of the program and do they anticipate expending all their funds. Ms. Thorpe said that in the beginning business was slow, so she created a flyer and that helped. She added that the agency would have an increase in calls because they are coming into months where air conditioning has many repairs and replacements, so she doesn't see a problem with expending all the funds.

Housing Board Member Morgan asked if a client has to have any other requirements besides income eligibility. Ms. Thorpe said they have to own the home and have lived there for at least 12 months.

Housing Services

Community Services of Arizona – Mike Fitz, Director of Single Family Housing Initiatives, presented the agency's request for \$271,750 for the First-Time Homebuyer Program. The program facilitates affordable homeownership opportunities for first-time low and moderate-income Scottsdale homebuyers, by providing homebuyer education, financial counseling and financial assistance for down payment, closing costs, and gap financing, in the form of a due upon sale, zero-interest, payment deferred and second lien. The program will serve ten households and 60 households will be counseled on homeownership.

Chair Bachmann asked if there is any follow up to those who have bought their homes. Mr. Fitz said yes they contact buyers after six months to follow up and after a year, they follow up by phone and by letter. He added that the agency has a lifetime counseling program for clients as well. Chair Bachmann asked what the statistics were for clients keeping their homes. Mr. Fitz asked Minnette Slater, Homeownership Manager to answer the question. Ms. Slater said that in the past two years they have only done one foreclosure and that was from a purchase of five years ago, so the past two years there have been no foreclosures.

Chair Bachman asked if the demand for the agency's services has increased. Ms. Slater said yes, and as funds have been expended, there are people on a waiting list until they receive more funds in July.

Housing Board Williams asked about the wait list and if there are any matches for the funds. Ms. Slater said that clients are required to put in funds themselves and clients may also be a part of the Family Self Sufficiency Program and obtain funds there as well.

Housing Board Member Williams asked what is the amount of funds from clients. Ms. Slater said that they have to come up with at least \$1,000 of their own money, although they usually have from \$3 to \$4,000 dollars for the down payment, which is put on top of the down payment the agency provides – totaling up to \$30,000.

Vice-Chair Priniski asked out of the ten homes sold, how many were single family. Ms. Slater said one - the others were either condominiums or townhouses, because the cost of homes is so high.

Commissioner Fausel asked what the average age of the homeowners was and Ms. Slater said between 25 to 35 years old.

Commissioner Hemmingsen asked if the funds are soft seconds. Ms. Slater said yes, so when the client sells the home they have to pay back the funds, no part is ever forgiven. She added there is no interest or payments, but the funding is not forgiven.

Housing Board Member Williams asked if any money has come back from clients. Ms. Slater said that there has been maybe one, but most clients stay in their homes. Housing Board Member Williams asked

if the money returns to the agency or the city and Ms. Slater said the money is returned to Scottsdale. Housing Board Member Williams asked what if there were not enough funds when the home is sold to pay back the loan. Ms. Slater said that only if there were dire hardship would the loan be forgiven at the time of sale. She added that with the equity already in the home, the funds are there for repayment.

Chair Edwards asked about counseling and if the funding covers that cost. Ms. Slater said that there are currently people in counseling, and although the agency is waiting for funding, the program is paying the cost of counseling.

Housing Board Member Morgan asked for an explanation of the difference between ten clients receiving \$5,300 and 50 receiving \$925. Ms. Slater said that there are ten clients that receive the full package of services provided by the program and the other 50 indicated have received sub services. Hence, the level of service given the clients is what is making the difference.

Housing Board Member Morgan asked what services are included for clients who receive the \$5,300. Ms. Slater said that they require an intense 12-hour education class, which discusses topics such as budgeting, to buying versus renting, to what will happen once you own a home. She said that clients are then required to have counseling, a minimum of two hours, where they learn and discuss items such as their credit report – the counseling could go on for months. Ms. Slater said that clients also come back and spend time with staff regarding the note and deed of trust, closing papers and the settlement statement.

Housing Board Member Morgan asked at what point does the staff realize that a person isn't right for home ownership or does the client decide. Ms. Slater said that those who really want a home would go through the education class; those who do not complete the class know they aren't ready. She added that there are also clients that discover they can't own a home based upon their income vs. debt ratio, but the agency encourages these clients to pay off certain debts and return once they've gotten in a better financial situation.

Housing Board Member Williams asked how homebuyers come to the agency. Ms. Slater said that clients come to them in a variety of ways: word of mouth, advertising, the Family Self Sufficiency Program, realtors and lenders.

Housing Board Member Williams asked if the agency sees people who really want to own a home. Ms. Slater said yes, there are not many people who would want to spend 12 hours in a class, which is where many people leave the program.

Vice-Chair Priniski asked if there is a reserve set up for homeowners in case there are repairs needed. Ms. Slater said that funds are built in with the ratios, but they do encourage clients to set aside funds for repairs. For example, when they pay down debts, they encourage clients to put that money into a reserve account.

Housing Board Williams asked what the agency attributed the desire to own a home to and Ms. Slater said much of it has to do with the advertising that Scottsdale did. Housing Board Williams asked how the numbers of those wanting to own a home compare with last year and Ms. Slater said the numbers have doubled.

Commissioner Hemmingsen asked if the agency does the actual mortgage. Ms. Slater said that the agency does the legal documents for the soft seconds and then the escrow, but the client has to qualify for a first mortgage on their own. Commissioner Hemmingsen asked if the client has to find their own lender and Ms. Slater said yes.

Vice-Chair Reid asked what the agency's relationship was with major banks. Ms. Slater said that they work with many banks and lenders that they work with, as it is the homebuyer's choice where they get their first mortgage.

Public Facilities

Maricopa County – Linda Mushkatel, Special Projects Manager, presented the agency's request for \$150,000 for the Human Services Campus: NOVA Safe Haven. The funds will partially support the construction on the Human Services Campus of NOVA Safe Haven, which provides emergency shelter and a day program for homeless individuals with serious mental illness.

Housing Board Member Morgan asked how the agency interfaces with faith based organizations; do they provide services? Ms. Mushkatel said yes, they work with agencies such as St. Vincent de Paul that provide access to health care or career development. She added that there are other agencies that interface with the homeless on the campus such as Salvation Army.

Housing Board Member Williams asked if the requested funding was for the entire campus and Ms. Mushkatel said no, only for the NOVA Safe Haven, which provides emergency shelter and a day program for homeless individuals with serious mental illness.

Housing Board Member Williams asked who staffs the NOVA Safe Haven and Ms. Mushkatel said a private non-profit.

Vice-Chair Reid asked if 36 unduplicated Scottsdale persons was a realistic estimate. Ms. Mushkatel said that most seriously mentally ill people are not in a good condition to self report; however, CASS does a count four times per year of their residents and part of the count asks where the residents hail from and based on the numbers 9% or 36 come from Scottsdale.

HOME Funds

Affordable Rental Movement (ARM) of Save the Family – Janice Parker, Executive Director, presented the agency's request for \$550,000 for the Affordable Rental Acquisition program. This program purchases four-plex homes to transition the homeless and low-income clients who have successfully completed the Save the Family's transitional housing program.

Chair Bachmann asked why the agency still has an unexpended balance. Ms. Parker said that the agency had a contract on a property, but the owners backed out because they weren't sure they would be able to find other living arrangements. She added that that seller has given the agency first refusal once they regroup. Chair Bachmann said that the agency can only spend \$150,000 for a property and Ms. Parker said yes, which is why the agency is purchasing primarily condominiums and town homes because they are within the price range, but she is positive that they can find properties in Scottsdale within the price range.

Housing Board Williams asked about purchasing a four-plex. Ms. Parker said that is how the agency started, but now there are so many that are in disrepair there is a large cost to repairing them; however, they haven't discounted purchasing them and are looking into forming partnerships with other organization to help with rehab.

Housing Board Williams asked if the monies from last year and this year combined would be \$800,000 and therefore make it easier to find a multiple to rehab. Ms. Parker said that was a possibility, as well as looking for larger homes, because families need three or four bedrooms.

Housing Board Member Williams asked if the agency has a waitlist for Scottsdale. Ms. Parker said that she doesn't have a count for Scottsdale, but there are many families on the waitlist.

Housing Board Member Morgan asked how many four-plexes the agency has purchased. Ms. Parker said that this year the agency purchased one and has another in the wings, and hopefully they can get four with the funding requested in the next fiscal year.

Housing Board Member Williams asked why it would take a year and a half to go through the process and specifically the time it takes to acquire and rehab a unit (8 months). Ms. Parker said that it takes a lot of time to rehab a unit and what the agency has done is, through volunteers such as Intel, remodeled 8 two-bedroom apartments, where the agency would never had had the funding to do so by paying contractors.

Housing Board Member Williams asked if the rehab done on the single-family homes brings them to code. Ms. Parker said yes and in many neighborhoods their work has encouraged others to repair their homes and thus increase the value of the homes.

Community Services of Arizona – Jeff Hale, Housing Development Associate, presented the agency's request for \$500,000 for the City of Scottsdale Rental Housing Project for 05/06. This program will acquire and rehabilitate at least 8 units of multifamily housing, which will provide high quality, affordable rental housing to low-income households.

Housing Board Member Williams asked what the possibility is of getting the property the agency is currently try to purchase. Mr. Hale said that they are competing with 12 other buyers, but they are hopeful. Housing Board Member Williams said that in the past they haven't been able to purchase a property. Mr. Hale said that it is difficult to compete with other buyers; they need to combine the funding sources to be able to get to the 15 to 30-unit range. He added that in the past, the agency has had 2 million dollars for home allocation but the price per unit has increased.

Housing Board Member Williams asked if the agency could bridge a loan. Mr. Hale said yes, if they had a commitment for funding and depending on the dollar amount. Mr. Bethel said yes, the funds would be committed if the City Council approves funding at their April 20 meeting and with that approval, the commitment to the agency. However, the funding would only be available on July 1 and the agency could not expend funds before that date.

Chair Edwards asked if the commitment is the target or the contract that allows for a bridge loan. Mr. Bethel said that the commitment of funding by the City Council is contingent upon the United States Department of Housing awarding the funds to the CDBG Programs Letter of Credit.

Housing Board Member Williams asked about vacancy rates. Mr. Hale said the last two years the vacancy rates have been detrimental to the agency, but they have done a much better job on the leasing and maintenance side and are well staffed as well as focusing a lot of attention on marketing. He added that their Scottsdale portfolio is 93%.

Housing Board Member Williams asked how many units the agency has in Scottsdale and Mr. Hale said they have 80 units and 12 vacancies, 6 that were forced because of rehab on the Royal Palms Project.

Housing Board Member Williams asked of those units, is the agency providing subsidies to tenants from another program. Mr. Swanton, Executive Director, said yes, the Scottsdale portfolio is diverse. For example, one unit is set aside for the seriously mentally ill, who go through Value Options, and therefore their rent is fully paid. He added that the agency accepts Section 8 and has a liaison program where they work with homeless shelters and provide a reduced rent for the first two years of occupancy.

Housing Board Member Williams asked if one of the reasons they can pay market price is because of their subsidies and Mr. Swanton said no, they are still competing even if there are no subsidy sources – rents are based on the market and affordability restrictions on their HOME properties.

STAFF AND COMMISSION UPDATES

Ms. James reminded Housing Board Members and Human Services Commissioners to turn in their scoring sheets. She then reminded both that the next time they will jointly meet will be on February 24 at the Via Linda Senior Center at 5:00 PM. Ms. James said that the next time the Human Services Commission meets would be on Wednesday, February 9 in the City Hall Kiva to hear the Scottsdale Cares, General Fund and Endowment presentations. She thanked both the Housing Board and the Human Services Commission for all of their help in the hearing process.

ADJOURNMENT

With no further business to be brought before the Commission, Chair Bachmann asked for a motion to adjourn. Commissioner Hemmingsen moved to adjourn the meeting. Commissioner Reid seconded and the motion carried unanimously. The meeting adjourned at 5:05 pm.

Chair Edwards asked for a motion to adjourn. Vice-Chair Priniski moved to adjourn the meeting Housing Board Member Williams seconded and the motion carried unanimously. The meeting adjourned at 5:06 pm.

Respectfully submitted by Mary Beth Hollmann, Recording Secretary.

Meets established criteria.

Connie James
Director, Human Services

Molly Edwards
Housing Manager/Mediation Manager